

Exhibit A
Insurance Program Summary
Fiscal Year 2006
Premium Summary and Comparison

Coverage	Carrier	2004-2005 Premium	2005-2006 Premium	\$ Increase (Decrease)	% Increase (Decrease)
Property Boiler and Machinery	HSB Zurich Liberty Int.	\$1,556,379	\$1,217,113	(\$339,266)	(21.8%)
Excess Worker's Compensation	Preferred Governmental Insurance Trust	\$1,050,000	\$797,320	(\$252,680)	(24%)
Police Professional Liability	National Casualty	\$318,680	\$274,097	(\$44,583)	(13.9%)
Pension Trust Liability	Federated Ins. Comp.	\$90,972	\$87,987	(\$2,985)	(3.3%)
Auto Physical Damage Fleet	Fireman's Fund	\$91,356	\$84,780	(\$6,576)	(7.2%)
Auto Physical Damage RTS	Lexington Ins. Company	\$140,740	\$124,700	(16,040)	(11.4%)
Lawyers Professional Liability	National District Attorneys Assoc.	\$19,305	21,026	\$1,721	8.9%
Special Events	Lloyds of London	\$42,263	\$40,500	(\$1,763)	(4.2%)
AD&D Police/Fire	Hartford	\$14,234	\$11,923	(\$2,311)	(16.2%)
Crime	Great American	\$7,076	\$5,557	(\$1,519)	(21.4)
Bonds	Hartford	\$25,905	\$18,605	(\$7,300)	(28.2%)
Total Premiums		\$3,356,910	\$2,683,608	(\$673,302)	(20%)

Exhibit B
Excess Worker's Compensation
Fiscal Year 2006 Renewal Options and Quotes

Carrier	Preferred Governmental Insurance Trust	Safety National No Aggregate	Safety National Aggregate	Clarendon National
Best Rating	Not Rated	A IX	A IX	A- X
Renewal Term	Annual	Annual	Annual	Annual
Limits of Liability				
Specific Excess Limit	Statutory	Statutory	Statutory	Statutory
Aggregate Excess Limits	Excluded	Excluded	1,000,000	Excluded
Employer's Liability	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Specific Excess Retention – Per Occurrence				
All Classifications except:	\$350,000	\$400,000	\$400,000	\$400,000
Police	\$350,000	\$500,000	\$500,000	\$500,000
Fire	\$350,000	\$500,000	\$500,000	\$500,000
Utilities	\$350,000	\$500,000	\$500,000	\$500,000
Premium	\$797,320	\$725,000	\$820,000	\$783,227

PARTICIPATION AGREEMENT

Application for Membership in the Preferred Governmental Insurance Trust

The undersigned local governmental entity, as a public agency of the State of Florida as defined in Section 163.01, Florida Statutes, hereby formally makes application with the Trust for continuing workers' compensation, liability, property and/or casualty coverage through membership in the Preferred Governmental Insurance Trust, to become effective 12:01 a.m. October 1, 2005, and if accepted by the Fund's duly authorized representative, does hereby agree as follows:

(a) To accept and be bound by the provisions of the Florida Workers' Compensation Act;

(b) That, by this reference, the terms and provisions of the Amended Interlocal Agreement creating the Preferred Governmental Insurance Trust are hereby adopted, approved and ratified by the undersigned local governmental entity. The undersigned local governmental entity certifies that it has received a copy of the aforementioned Amended Interlocal Agreement and further agrees to be bound by the provisions and obligations of the Amended Interlocal Agreement as provided therein;

(c) To pay all premiums on or before the date the same shall become due and, in the event Applicant fails to do so, to pay any reasonable late penalties and charges arising therefrom, and all costs of collection thereof, including reasonable attorneys' fees;

(d) To abide by the rules and regulations adopted by the Board of Trustees of the Fund;

(e) That should either the Applicant or the Fund desire to cancel coverage, it will give not less than thirty (30) days prior written notice of cancellation;

(f) That all information contained in the underwriting application provided to the Fund as a condition precedent to participation in the Fund is true, correct and accurate in all respects.

City of Gainesville

(Name of Local Governmental Entity)

Witness Signature

By: _____
Signature

Printed Name

Printed Name

Witness Signature

Title: _____

Printed Name

IS HEREBY APPROVED FOR MEMBERSHIP IN THIS FUND, AND COVERAGE IS EFFECTIVE THE ___ DAY OF _____, 20 __. SIGNED THIS ___ DAY OF _____, 20 __.

By: _____
Administrator/Trustee

**AMENDED INTERLOCAL AGREEMENT CREATING
THE
PREFERRED GOVERNMENTAL INSURANCE TRUST**

This Amended Interlocal Agreement, restating and modifying the Preferred Governmental Insurance Trust, is made and entered into effective October 1, 2005, by and among the Local Governmental Entities who have executed Participation Agreements (Application for Membership in the Preferred Governmental Insurance Trust) to become effective October 1, 2005, such Local Governmental Entities representing one hundred percent (100%) of the Governmental Entities participating in the Preferred Governmental Insurance Trust, together with such other Local Governmental Entities who hereafter become members of the Fund, for the purposes and subject to the conditions and restrictions, as hereinafter set forth.

WITNESSETH:

WHEREAS, Article VIII, Section 2, Florida Constitution, provides municipalities shall have governmental, corporate and proprietary powers to enable them to conduct municipal government, perform municipal functions, and render municipal services, and may exercise any power for municipal purposes except as otherwise provided by law; and

WHEREAS, Section 125.01, Florida Statutes, provides that counties shall have the power to carry on county government and to exercise all powers and privileges not specifically prohibited by law; and

WHEREAS, Section 166.021, Florida Statutes, provides in part that "...municipalities shall have the governmental, corporate, and proprietary powers to enable them to conduct municipal government, perform municipal functions, and render municipal services, and may exercise any power for municipal purposes, except when expressly prohibited by law."; and

WHEREAS, Section 163.01, Florida Statutes, commonly known as the "Florida Interlocal Cooperation Act of 1969", provides that Local Governmental Entities may enter into interlocal agreements in order to make the most efficient use of their powers by enabling them to cooperate with other Local Governmental Entities on a basis of mutual advantage, thereby providing services

and facilities in a manner, and pursuant to forms of governmental organization, that will best accord with geographic, economic, population, and other factors influencing the needs and development of Local Communities; and

WHEREAS, Section 624.4622, Florida Statutes, provides that any two or more Local Governmental Entities may enter into an interlocal agreement for the purpose of securing the payment of benefits under Chapter 440, Florida Statutes, provided such local governmental self-insurance fund created thereby has an annual normal premium in excess of five million dollars (\$5,000,000.00), maintains a continuing program of excess insurance coverage, submits annual audited year-end financial statements, and has a governing body which is comprised entirely of local elected officials; and

WHEREAS, Section 768.28, Florida Statutes, provides that the state and its agencies and subdivisions are authorized to be self-insured, to enter into risk management programs, or to purchase liability insurance for whatever coverage they may choose, or to have any combination thereof, in anticipation of any claim, judgment, and claims bill which they may be liable to pay pursuant to such section; and

WHEREAS, Section 111.072, Florida Statutes, authorizes any county, municipality, or political subdivision to be self-insured, to enter into risk management programs, or to purchase liability insurance for whatever coverage it may choose, or to have any combination thereof in anticipation of any judgment or settlement which its officers, employees, or agents may be liable to pay pursuant to a civil or civil rights lawsuit described in s. 111.07, Florida Statutes; and

WHEREAS, Section 624.462, Florida Statutes, provides that a governmental self-insurance pool created pursuant to Section 768.28(16), Florida Statutes, shall not be considered a commercial self-insurance fund; and

WHEREAS, each of the participating Local Governmental Entities which are party to this Agreement, and all subsequent Local Governmental Entities which become party to this Agreement, are public agencies as defined in Section 163.01, Florida Statutes, and are authorized to enter into this Interlocal Agreement by executing a Participation Agreement; and

WHEREAS, each of the Local Governmental Entities which are a party to this Agreement have the powers and authorities to establish, operate and maintain their own individual self-insured programs for the purpose of securing payment of benefits under Chapter 440, Florida Statutes; and

WHEREAS, each of the Local Governmental Entities which are a party to this Agreement have the powers and authorities to establish, operate and maintain their own individual self-insured programs for the purpose of securing payment of benefits under risk management programs or liability insurance programs; and

WHEREAS, it is in the public interest, and in the best interest of the parties hereto, that they join together to establish a consolidated and comprehensive Fund for the payment of benefits under the Florida Workers' Compensation Law, payment of claims, judgments and claims bills which they may become liable to pay, payment of certain civil rights liabilities, payment of casualty and property losses, and the purchase of appropriate policies of insurance, excess insurance and reinsurance to provide protection against such claims and liabilities; and

WHEREAS, the governing authority of each of the Local Governmental Entities which are a party to this Agreement have duly authorized the execution and delivery of a Participation Agreement obligating such Governmental Entity to full performance of this Agreement; and

WHEREAS, it is the intent of this Agreement to allow participation by additional Local Governmental Entities in the self-insurance fund created hereby, pursuant to the terms and conditions of this Interlocal Agreement;

NOW, THEREFORE, by virtue of the execution and delivery of a Participation Agreement, the parties hereto do hereby covenant and agree as follows

SECTION I

INCORPORATION OF RECITALS

The foregoing WHEREAS clauses are incorporated in, and made a part of, this Amended Interlocal Agreement.